



General Assembly

Substitute Bill No. 6670

January Session, 2003

***AN ACT CONCERNING THE CALCULATION OF OVERTIME
PAYMENTS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (1) of section 31-76b of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2003*):

4 (1) The "regular rate" at which an employee is employed shall be
5 deemed to include all remuneration for employment paid to, or on
6 behalf of, the employee, but shall not be deemed to include (A) sums
7 paid as gifts; payments in the nature of gifts made at Christmas time or
8 on other special occasions, as a reward for service, the amounts of
9 which are not measured by or dependent on hours worked,
10 production or efficiency; (B) payments made for occasional periods
11 when no work is performed due to vacation, holiday, illness, failure of
12 the employer to provide sufficient work, or other similar cause;
13 reasonable payments for traveling expenses, or other expenses,
14 incurred by an employee in the furtherance of [his] the employer's
15 interests and properly reimbursable by the employer; and other similar
16 payments to an employee [which] that are not made as compensation
17 for [his] the employee's hours of employment; (C) sums paid in
18 recognition of services performed during a given period if either, (i)
19 both the fact that payment is to be made and the amount of the
20 payment are determined at the sole discretion of the employer at or

21 near the end of the period and not pursuant to any prior contract,
22 agreement or promise causing the employee to expect such payments
23 regularly; (ii) the payments are made pursuant to a bona fide profit-
24 sharing plan or trust or bona fide thrift or savings plan, meeting the
25 approval of the Labor Commissioner who shall give due regard,
26 among other relevant factors, to the extent to which the amounts paid
27 to the employee are determined with regard to hours of work,
28 production or efficiency; (D) contributions irrevocably made by an
29 employer to a trustee or third person pursuant to a bona fide plan for
30 providing old-age, retirement, life, accident or health insurance or
31 similar benefits for employees; (E) extra compensation provided by a
32 premium rate paid for certain hours worked by the employee in any
33 day or workweek because such hours are hours worked in excess of
34 eight in a day or in excess of the maximum workweek applicable to
35 such employee under section 31-76c, or in excess of the employee's
36 normal working hours or regular working hours, as the case may be;
37 (F) extra compensation provided by a premium rate paid for work by
38 the employee on Saturdays, Sundays, holidays or regular days of rest,
39 or on the sixth or seventh day of the workweek, where such premium
40 rate is not less than one and one-half times the rate established in good
41 faith for like work performed in nonovertime hours on other days; or
42 (G) extra compensation provided by a premium rate paid to the
43 employee, in pursuance of an applicable employment contract or
44 collective-bargaining agreement, for work outside of the hours
45 established in good faith by the contract or agreement as the basic,
46 normal or regular workday, not exceeding the maximum workweek
47 applicable to such employee under section 31-76c, where such
48 premium rate is not less than one and one-half times the rate
49 established in good faith by the contract or agreement for like work
50 performed during such workday or workweek. For the purpose of
51 calculating the overtime rate of compensation required to be paid to an
52 employee who is not exempt from the overtime requirements of
53 chapter 558, the employee's regular rate shall be one-fortieth of the
54 employee's weekly remuneration, except as otherwise permitted under
55 29 CFR 778.114, as from time to time amended.

This act shall take effect as follows:
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Section 1	<i>October 1, 2003</i>
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LAB *Joint Favorable Subst.*